

**TOWARDS A U.S. ARMY OFFICER CORPS
STRATEGY FOR SUCCESS:
A PROPOSED HUMAN CAPITAL MODEL
FOCUSED UPON TALENT**

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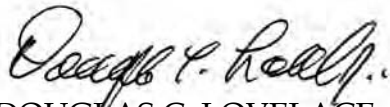
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FOREWORD

Creating and maintaining a highly competent U.S. Army Officer Corps has always been the cornerstone of the nation's defense. Colonel Casey Wardynski, Major David S. Lyle, and Lieutenant Colonel (Ret.) Michael J. Colarusso consider America's continuing commitment to an all-volunteer military, its global engagement in an era of persistent conflict, and evolving changes in its domestic labor market. They argue that the intersection of these factors demands a comprehensive Officer Corps strategy recognizing the interdependency of accessing, developing, retaining and employing talent. In their view, building a talent-focused strategy around this four-activity human capital model will best posture the Army to match individual officer competencies to specific competency requirements.

Such a strategy will enable the thoughtful and deliberate integration of resources, policies, and organizations to employ "the right talent in the right job at the right time." The authors conclude that without such a talent-focused strategy, the Army and its Officer Corps confront the increasing likelihood that they will be unequal to future American national security demands.



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SUMMARY

Throughout America's history, U.S. Army officers have played an integral role in the formulation and execution of its national security policy. However, the intersection of multiple factors such as technological advancements, globalization, the proliferation of weapons of mass destruction, a protracted conflict waged with an undersized, all-volunteer Army, and the increased demand in the civilian sector for the skills that junior officers possess, suggest that future national security challenges will be markedly different from those which were met so successfully in the past.

We find compelling evidence that the U.S. Army's Officer Corps will be unequal to future demands unless substantive management changes are made. Perhaps the most obvious risk indicator is the Army's persistent and substantial gap in mid-career officers. Much of this gap stems from low officer continuations on active duty beyond the initial service obligation, particularly among ROTC scholarship and West Point officers. The Army has also radically shifted its sources of commission from those that extensively screen, vet, and cull for talent such as ROTC and West Point, to those with minimal talent filters. For example, Officer Candidate School accessions have increased from a historical annual average of 10 percent to more than 40 percent of active duty commissions. At the same time, promotion rates have skyrocketed so that virtually all officers choosing to remain on active duty can reasonably expect continued advancement and eventual promotion to the rank of lieutenant colonel.

Some senior Army leaders, analysts in think tanks, and others in government believe that the demands of the Global War on Terror and the Army's modular transformation combined to create these troubling

symptoms. However, strong evidence reveals that the root causes of these problems precede the war and modularity, and are instead grounded in the Army's failure to understand and appropriately respond to a changing talent market. In short, the Army has relied on draft-era practices to manage an all-volunteer Army. More specifically, the Army has lacked a cohesive strategy to guide its officer manpower efforts. Actions taken to remedy the problems outlined above have actually reduced the likelihood that the Officer Corps will be equal to the challenges that lie ahead.

In this monograph, the authors argue that those challenges demand a comprehensive Officer Corps strategy recognizing the interdependency of accessing, developing, retaining, and employing talented people, officers with high learning and problem solving aptitudes and whose mental acuity and intellectual agility allows them to master the diverse competencies demanded now and in the future. Such a strategy will position the Army to compete with the civilian market for talent. It will translate directly into better officer development and retention through increased job satisfaction, and it will move the Army beyond personnel management to talent management.

An officer talent management strategy will also create the institutional agility required to facilitate job matching, allowing the Army to achieve the right breadth and depth of officer competencies to meet evolving requirements—"the right talent in the right job at the right time." To realize this vision, however, the Army must develop a strategy that commits ample resources, incorporates appropriate policy, and reevaluates existing organizational designs. Failure to do so may result in a U.S. Army unequal to its share of the security challenges confronting the United States and its allies.

TOWARDS A U.S. ARMY OFFICER CORPS STRATEGY FOR SUCCESS: A PROPOSED HUMAN CAPITAL MODEL FOCUSED UPON TALENT

Introduction.

Throughout its history, military officers have been integral to the formulation and execution of U.S. national security policy. From George Washington, Ulysses Grant, and George Marshall to Norman Schwarzkopf, Colin Powell, and David Petraeus, the United States has repeatedly called upon its most talented Army officers to execute missions successfully across a wide spectrum, from peacetime military engagement to major combat operations. Several factors, however, may make future challenges markedly different from those met so successfully in the past.

First, the United States and its allies are confronted by an increasing number of actors who are willing to use violence to achieve their ends, unconstrained by the moral convictions or legal restrictions within which traditional military forces operate. The intersection of several factors has created this ever more dynamic and demanding security environment, including the accelerating creation and diffusion of technology, urbanization, globalization, resource competition, the proliferation of weapons of mass destruction (WMD), and the absence of the rule of law in a growing number of failed states.¹

Moreover, while its current generation of officers has been able to count upon American economic and technological preeminence as unrivaled sources of power, the U.S. Army's future officers may be unable to do so. Instead, they will likely be confronted by

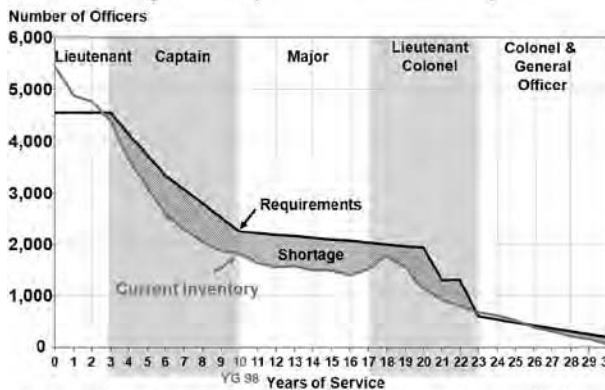
several nations possessing large, relatively young and well-educated populations, with greater access to capital and technology drawn from rapidly expanding domestic economies. Against this backdrop of competing nation-states, Army leaders will also be challenged by nonstate actors who operate in and around urban centers, rely upon the safe havens provided by a growing number of failed states, and adapt technologies to create asymmetric threats. As we have seen in Iraq and Afghanistan, prevailing against such foes is landpower-intensive. As a result, the U.S. Army's particular competencies are in great demand and will likely remain so for the foreseeable future.

Second, the United States and its armed forces are waging this protracted conflict with an all-volunteer military force. Unlike previous wars, there is little "lateral entry" of specialized talent via conscription, nor is there any significant popular or political U.S. support for returning to a draft. America's Army, therefore, must wage war with the volunteer officers it accesses and retains. Now more than ever, these men and women must be extremely talented.

Yet, despite the Global War on Terrorism (GWOT) entering its 8th year, there is compelling evidence that the Army has continued to rely upon legacy officer management practices, practices that were increasingly outmoded even before the war began. In fact, that evidence suggests that the United States has been assuming significant risk in its Army Officer Corps for over a decade. Consequently, the Army requires an officer corps strategy to meet the unique challenges outlined above.

Symptoms of an Officer Corps at Risk.

It is important to clarify from the outset that we are not arguing that the Army's Officer Corps is unequal to current demands. Rather, we posit that there are increasing and accelerating signs that its Officer Corps *will* be unequal to future demands unless substantive changes are made in its management. Perhaps the most serious risk indicator is the Army's persistent and substantial gap in mid-career officers. Mid-career officers are the heart and soul of a professional officer corps; they lead, coach and mentor junior officers and they are the feedstock for future general officers. Consider, for example, the "cohort" of Army officers who were commissioned in 1998, now having served 10 years of active duty. As depicted in Figure 1, the Army still requires about 2,200 of these officers, but it has only retained about 1,800. Additionally, for the ranks of captain through lieutenant colonel, the Army is only manned at 80 percent strength.²



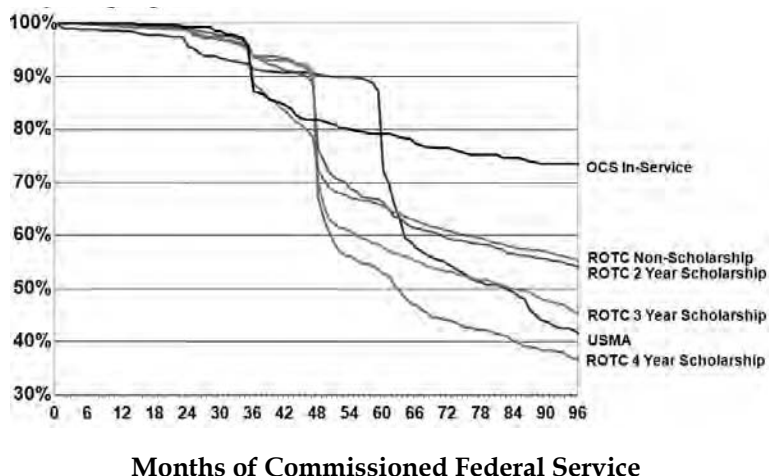
Data are from the *Total Army Personnel Data Base* as of September 2007 and the *Manning Authorization Document* as of September 2007.

Figure 1. Requirements and Inventory.

Moreover, continuations on active duty past the commissioning obligation are *lowest* among the junior officers that the U.S. Army invested the *most* in. These officers are produced either by the Army's Reserve Officer Training Corps (ROTC) 4-year university scholarship program, or through attendance at the United States Military Academy (USMA or West Point).³ Figure 2 shows that 4-year ROTC scholars and West Point graduates continue to 8 years of active Army service at the lowest rates. The Army paid for the undergraduate education of these officers due to their demonstrated intelligence, leadership potential, and high aptitudes for learning. Coupled with the education and training provided by the Army, these characteristics are in demand everywhere and are aggressively sought by outside employers. As these officers have the greatest range of employment options, they more often exercise those options when their Army careers fail to meet their expectations.

Low continuation rates and the corresponding shortage of mid-level career officers has a cascading effect upon officer management that goes well beyond the over-production of lieutenants, with further negative implications for overall officer quality. Take, for example, the Army's loss of discretion over promotion rates. Figure 3 captures the dramatic rise in promotions to the rank of major and lieutenant colonel over the past decade. In 1997, the Army promoted roughly 60 percent of eligible officers to the rank of lieutenant colonel and 75 percent of eligible officers to the rank of major. By 2007, however, the Army promoted over 90 percent of eligible officers to the rank of lieutenant colonel and major. Of note, more than half of this growth in promotions occurred *before* the beginning of Operation IRAQI FREEDOM (OIF) in

Percent of Year Group 1996 Competitive Category Officers Remaining on Active Duty through 8 Years of Service.



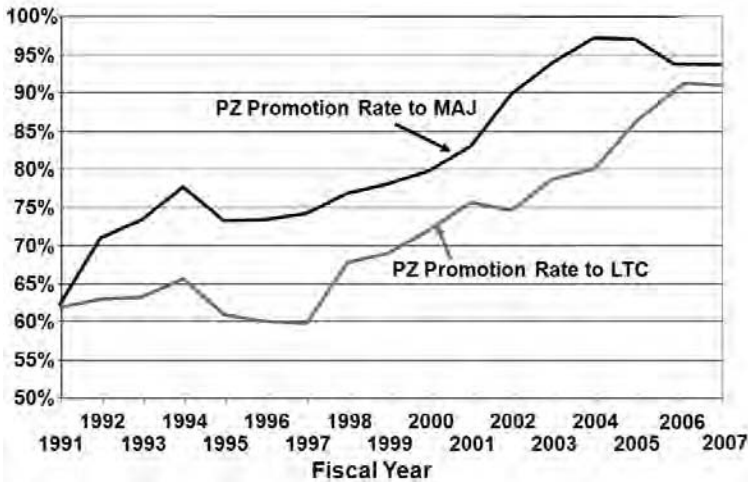
Data are from the *Total Army Personnel Data Base for Year Group 1996*, which is representative of all year groups in the 1990s.

Figure 2. Scholarship Source Officers Continue in the Army at the Lowest Rates.

March 2003. As a result, officers whom the Army previously might not have promoted are increasingly assuming positions of responsibility to which they may be unequal.

In addition to low continuations, enduring officer shortages, and escalating promotion rates, the U.S. Army has also substantially changed its mix of officers by commissioning source. As mentioned earlier, the Army offers 4-year scholarships to attract the best and brightest talent into its officer ranks through ROTC and West Point. It also offers 2- and 3-year scholarships as a means of attracting college students into ROTC to fill shortfalls in accession objectives.

Competitive Category Primary Zone Promotion Rate by Fiscal Year



Data are from the *Total Army Personnel Data Base*.

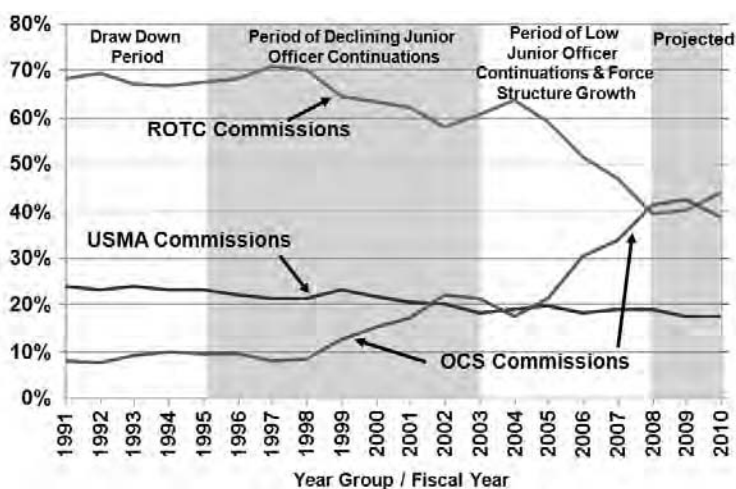
Figure 3. Promotion Rates to Major and Lieutenant Colonel.

To provide opportunities to its most talented enlisted soldiers, the Army also commissions officers through in-service Officer Candidate School (OCS-IS). Finally, it offers an enlistment option for Officer Candidate School (OCS-EO) to individuals who have graduated from college and decide that they want to be an officer.⁴

As shown in Figure 4, West Point graduates comprise roughly 20 percent of active duty officer production (per congressional mandate). Meanwhile, from the inception of an all volunteer U.S. military force in 1973, through 1998, both OCS sources have historically combined to provide another 10 percent. The engine of the commissioned Officer Corps, however, has been ROTC, which over this same period produced 70

percent of each commissioned officer cohort. From 1998 to 2008, however, the Army has shifted commissions away from ROTC and towards OCS. As a result, OCS grew from 10 percent of a commissioned cohort to more than 40 percent, and was the single largest source of commission in 2008.

Percentage of Competitive Category Officers Commissioned by Source and Year Group



Data are from the *Total Army Personnel Data Base* and *Manning Authorization Document*.

Figure 4. Officer Accessions Mix by Source of Commission.

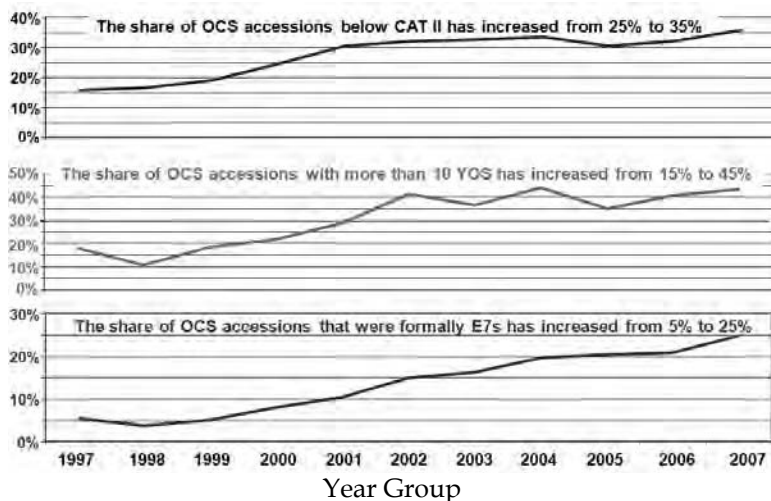
One might think that it is natural to expand OCS in a time of war, but two characteristics of today's OCS expansion differentiate it from the past. The first is that a full third of this shift from ROTC to OCS occurred *prior* to OIF. Second, during previous OCS expansions, the bulk of its new officers served the critical purpose of providing excellent junior officer leadership to a

draft army. At war's end, the majority of them would accompany the conscripts they led back into the civilian workforce. Today, however, OCS officers receive a "Regular Army" commission and are placed upon the path to mid-career and senior leadership positions.⁵

There are several implications of accessing such a large share of officers via OCS. First, while it may seem counterintuitive, OCS-IS is the single most expensive source in terms of marginal cost (the change in total cost to the U.S. Army that occurs every time an additional officer is produced). Unlike the young person brought into West Point or ROTC from outside of the Army, the OCS-IS officer is recruited from *within* it. His or her commissioning robs the Non-Commissioned Officer (NCO) Corps of talent and immediately creates a hole in the Army's enlisted force that must be filled.⁶ Increasingly, OCS-IS candidates are non-commissioned officers in whom the Army has invested years of training and education. Seasoned NCOs cannot be created overnight—replacing each one entails significant training and recruiting costs for the multiple soldiers which will eventually yield one new sergeant.

Second, as the Army increases the number of OCS-IS officers, it must reach deeper and deeper into its pool of sergeants to create new officers. As a result, the share of OCS-IS candidates with a U.S. Armed Forces Qualification Test (AFQT) score below Category II has increased from 15 percent in 1997 to 35 percent in 2007 (see Figure 5). This is significant because the AFQT score is used to determine basic qualification for enlistment, and to help predict future academic and occupational success in the Armed Forces. AFQT scores are not raw scores, but rather percentile scores indicating how each examinee performed compared to all others. Thus, someone who receives an AFQT

score of 65 (the Category II threshold) is in the top 35 percentile of all examinees. Therefore, an increasing share of OCS candidates below Category II means that officers with a reduced likelihood of academic or occupational success are being commissioned in greater numbers than before.



Data are from the *Total Army Personnel Data Base*.

Figure 5. Changes in OCS Demographics over Time.

At the same time, the U.S. Army has increasingly drawn senior NCOs into OCS. In 1997, only 15 percent of OCS-IS candidates had more than 10 years of enlisted service. By 2007 that percentage had tripled to 45 percent, and a full quarter of these were Sergeants First Class. This increasing reliance on senior NCOs also brings OCS into direct competition with the Warrant Officer Corps, which has traditionally relied upon the NCO Corps as its feedstock.⁷

Not only is the Army commissioning officers from the ranks who have lower AFQT scores, but it is also bringing in older soldiers who are well on the way to their 20-year retirement mark. Accordingly, many of these OCS-IS officers will be eligible for retirement before reaching the rank of major, which does little to help fill the Army's shortages at the rank of major and lieutenant colonel. As for officers commissioned through the OCS-EO, which now comprise 50 percent of all OCS commissions, they retain on active duty at lower rates than West Point and 4-year ROTC scholarship officers, the very population they were to leaven with higher continuation rates. Again, this does little to help fill the persistent shortage of mid-career officers. Lastly, by shifting almost 45 percent of ROTC's commissioning mission to OCS, the Army has forfeited its ability to rely upon OCS as a quick-turn source of additional officers in the event of a national crisis necessitating its rapid expansion.

Our examination of symptoms thus far leads us to two intermediate conclusions: First, the war did not cause them—the shortage of mid-career officers, low officer continuations, increases in promotion rates, and the shift towards OCS and away from ROTC began in the mid-1990s. For example, Figure 4 shows that the shift from ROTC to OCS began in 1998, some *5 years before* the start of OIF and *8 years before* the expansion of the force. Second, these symptoms came about by inches. We could not uncover evidence to suggest any specific strategy or deliberate action on the part of the U.S. Army to create these outcomes.

Root Causes.

Many of the symptoms of an at-risk Officer Corps were magnified by “corrective measures” that exacerbated rather than eliminated them. This is because the root causes of the problem were not understood. For example, to remedy the shortage of mid-career officers, the U.S. Army increased its production of lieutenants (see Figure 1). Rather than addressing the underlying problem of lower continuation rates, however, over-accessing new officers actually magnified the problem because the Army hired excess lieutenants who did not have lieutenant jobs waiting for them. As this continues, it puts pressure on the Army’s assignment mechanisms and leads to decreased time in key and developmental jobs for all junior officers, which is likely to increase their frustration levels just as they complete their initial active duty service obligations. Such examples demonstrate that unless root causes are discovered and eliminated, the symptoms of an at-risk Officer Corps are persistent.

Given that most of these symptoms first surfaced in the mid-1990s, we focused our search for potential root causes in the preceding decade. In the 1980s, the U.S. economy was undergoing a fundamental shift from the industrial-age to the information-age. There was a dramatic increase in the demand for high-skilled workers who could complement technological innovations. Jobs shifted from factories to offices, and higher wages followed workers who could process information quickly, manage projects, and solve problems. High-potential junior officers who secured a 4-year scholarship, earned an undergraduate degree through ROTC or at West Point, and spent 4 or 5 years gaining valuable leadership experience in the U.S. Army were among those in high-demand by the civilian

sector. Figure 2 shows officer continuation behavior through 8 years of service sorted by scholarship level.

Also, in response to the demand for higher skilled workers, federal college grants and student aid more than doubled, from \$7 billion a year in the early 1980s to more than \$14 billion a year in the early 2000s.⁸ This created alternative sources of funding for high-potential, college-bound students who might have otherwise turned to the military.

In parallel with these market changes, the Army underwent the post-Cold War drawdown of the early-to-mid 1990s, during which its active component Officer Corps shrank from 91,000 to 69,000 over 7 years.⁹ The Army's focus on rapid force reduction and its "peace dividend" meant significant budgetary cuts related to officer accessions, to include ROTC scholarship dollars. In an effort to mitigate the impact of reduced scholarship funding, ROTC moved from a centralized scholarship award system to a decentralized system. In the centralized system, candidates competed on a national or regional level. If awarded a scholarship, they could attend the university of their choice, to include selective and nationally recognized Tier 1 and Tier 2 schools.¹⁰ Under the decentralized system, candidates competed for scholarships at specific ROTC host institutions. As a cost avoidance measure, the Army provided low-selectivity (and thus lower cost) institutions with a higher scholarship quota than higher-selectivity institutions.¹¹

Comparatively speaking, the centralized scholarship has greater value than the decentralized scholarship. Decentralized scholarships limit the U.S. Army's access to college-bound students because some of the schools that the scholarships are tied to may not be in the choice set of college aspirants. The loss of can-

didate control over school selection likely reduced ROTC's appeal to many high-potential prospects, who had more financial aid options available to them than ever before. In contrast, centralized scholarships expand a candidate's options for attending the best school possible and have the added benefit of incentivizing universities to accept these candidates who bring a guarantee of funding from the government. The move to a decentralized system was symptomatic of an emerging officer management culture focused upon sheer quantity of applicants rather than higher quality applicants.

Once leaders identify and adapt to changing conditions such as the U.S. labor market and the drawdown, program management errors such as the one described above can be fixed relatively quickly. Something that cannot be corrected as easily, however, is the drawdown's deep reduction in officer end-strength requirements, particularly among lieutenants and captains, whose ranks were thinned by 1,681 and 8,959, respectively.¹² This stemmed from a strategic decision to abandon forever the notion of a professional force that could serve as the nucleus of a rapidly expanded conscript army. If future conflicts would be won with a wholly professional army, then a "strategic overhead" of active duty officers would no longer be needed to leaven future conscript formations. This decision allowed the U.S. Army to make deep cuts in the Officer Corps' active strength.

Although this drastic reduction increased short-term savings, it engendered substantial long-term consequences. Unlike corporate America, which can expand or contract relatively quickly, the Army's developmental structure and mission necessarily limits lateral entry. Consequently, it is unable to quickly grow

in its mid-to-upper ranks; it takes 10 or more years to develop these officers. In a rapidly changing world, this significantly hampers the Army's ability to adapt.

Solution Context – Understanding the Labor Market.

John Wooden, the iconic University of California-Los Angeles (UCLA) basketball coach who won 10 National Collegiate Athletic Association (NCAA) championships in 12 years, said that "sports do not build character . . . they reveal it." In much the same way, the GWOT has tested the U.S. Army's officer management practices. Prior to the war, the Army simply accommodated the risk associated with a mid-career officer shortage. However, that shortage was brought into sharp relief via the crucible of combat, magnified by the conversion to modular brigades, and further increased by the Army's growth by over 74,000 soldiers. In short, the war revealed that the Army's existing officer management paradigm is unequal to the times. That paradigm is characterized by industrial-era manpower management practices, incrementally modified and inherited from a conscript force. Prior to the end of the draft in 1973, this was not an issue, as the nation conscripted whatever talent was necessary to prosecute a war. Since that time, however, the U.S. military has had to compete for talent in the highly competitive U.S. labor market.

Understanding the market in which the Army competes is central to understanding the importance of U.S. Army accessions. As a result of the limited lateral entry discussed above, the officers that the Army accesses today are the feedstock for its senior leaders in the next 30 years. Because of this, the Army

must evaluate each new officer not just for his or her potential as a lieutenant, but as a colonel or a general as well. This is why the U.S. Army cannot accept risk in its Officer Corps—the consequences are generational in scope, far reaching and enduring. By accessing and promoting lower talent today, the Army pays a price in less competent officer leadership tomorrow, a problem that takes years to rectify.

Since the U.S. Army cannot possibly know what specific officer competencies will be demanded 25 years from now, the best way for it to mitigate risk is to continuously access and retain *talent*. Talent goes beyond attitude or desire, beyond will and skill, beyond tolerance, compassion, values and character. Army officership demands all of those things—they are non-negotiable. Talent, however, adds the critical dimensions of intelligence, of aptitudes for rapid learning and adaptation. Talented officers have powers of reasoning to discern quickly patterns of activity within new situations, and can conceive alternatives to address situations for which they have never been specifically trained. Talented officers leverage these innate aptitudes to become expert in the competencies to which they are drawn. These may range from deep technical skills to broad conceptual or intuitive abilities, all of which the Army requires.

The U.S. Army should access officer candidates who possess these aptitudes rather than hoping to impart or discover them later. Accessing talent is like mining diamonds rather than coal. While both have value, diamonds are multifaceted and enduring. They can be refined and polished to increase their value, which can then be used to recapitalize the future Officer Corps.

Operating from the basis of inherited practices, however, the Army has not focused upon that future.

As a result, the demands of the present have crowded out strategic planning to ensure its Officer Corps is equal to future challenges. In its 2007 review of officer accessions, for example, the U.S. Government Accountability Office (GAO) faulted the U.S. Army for its lack of an integrated and centralized approach to drawing new officers into its ranks:

The Army's traditional approach has been to rely first on its ROTC and academy programs and then compensate for shortfalls in these programs by increasing its OCS accessions. . . . [The] Army's three accession programs are decentralized and do not formally coordinate with one another, making it difficult for the Army, using its traditional approach, to effectively manage risks and allocate resources across programs in an integrated, strategic fashion. Without a strategic, integrated plan for determining overall annual accession goals, managing risks, and allocating resources, the Army's ability to meet its future mission requirements and to transform to more deployable, modular units is uncertain.¹³

As we have seen, the lack of a coherent officer accessions strategy certainly impairs the Army's ability to create and sustain an Officer Corps equal to future requirements. Accessions, however, is just one of four interdependent activities that we believe are critical to delivering effective Army leadership. These activities also include developing, retaining, and employing officer talent. Therefore, we argue that the Army requires more than just the officer accessions strategy called for by the GAO report. Rather, it requires a comprehensive Officer Corps strategy that both accounts for and leverages the interdependence between these four central activities.

Towards an Officer Corps Strategy – An Overview.

As a first step in developing an Officer Corps strategy, senior leaders must agree upon their strategic objectives, for “there is nothing which rots morale more quickly and more completely than . . . the feeling that those in authority do not know their own minds.”¹⁴ It is sometimes hard to divine just what the U. S. Army wants in its officers. For example, annual Army accessions guidance contains quantitative commissioning objectives for ROTC, West Point, and OCS, but is silent regarding qualitative officer competencies, abilities, or aptitudes.

Despite this shortcoming, senior Army leaders have expressed qualitative requirements for officers in other documents such as the Army Strategy; the Army Campaign Plan; the Army Posture Statement; and Field Manual 6-22, *Army Leadership*, using terms such as “multiskilled” or “adaptive.” Multiskilled refers to leaders who embody a broad range of competencies beyond those narrowly associated with combat operations, whereas adaptive was perhaps best described by General George W. Casey, Jr., Chief of Staff of the U.S. Army, as officers who find themselves in “unfamiliar situations and figure things out.”¹⁵

By repeatedly expressing the need for officers with deep competencies and aptitudes for rapid learning and adaptation, the Army is actually articulating its vision for an Officer Corps strategy. In essence, it seeks *talent*. To get it, however, the Army’s officer management system must embody the same adaptability it demands of its officers. In other words, rather than continuously jamming round pegs into square holes and asking the *pegs* to adapt, the Army should develop the institutional adaptability to place the *right* officers in the *right* jobs at the *right* time.

Such an approach would afford the Army greater depth of officer competencies. It avoids the need for all officers to be multiskilled, which may be unrealistic, as few individuals can become experts in multiple fields. Efforts to engender this type of all encompassing competency normally yield skill sets an inch deep and a mile wide—the old maxim, “Jack of all trades, master of none,” applies here. By allowing each officer to specialize in his or her areas of expertise, however, and by building an institutional capacity to employ their talents at the right place and time, the Army still achieves a multiskilled capability but with much greater depth of competency. Thus, the object of the Army’s Officer Corps strategy should be a distribution of talent, some with deep, specific, and varied skills, others with broad general skills, and a talent management system that can employ this diverse talent efficiently.

Effective talent management reinforces and links officer development, retention, and accessions programs. For example, assigning officers to positions leveraging their innate and acquired competencies can directly improve officer career satisfaction and success, which in turn can extend the service of high-potential leaders and also attract additional talent. Therefore, an effective Officer Corps strategy recognizes the interdependency of accessing, developing, retaining, and employing officer talent. It acknowledges the need for institutional adaptability to foster and benefit from deeper officer competencies. Lastly, it creates an environment in which talent attributes evolve and grow over time.

Figure 6 is a graphic depiction of our proposed officer human capital model that supports such an officer corps strategy focused on talent. As each cohort of new officers progresses from the junior

ranks toward senior leadership roles, they will arrive prepared for those roles only if the Army understands and leverages the linkages between the critical activities of “accessing, developing, retaining, and employing” talent. Properly executed, each of these activities is mutually reinforcing and will ensure that from lieutenants to four-star generals, the U.S. Army possesses not just the right number of officers, but also the right distribution of those officers. It will also ensure that collectively, the Officer Corps has the breadth and depth of competencies both demanded by the present and anticipated for the future.

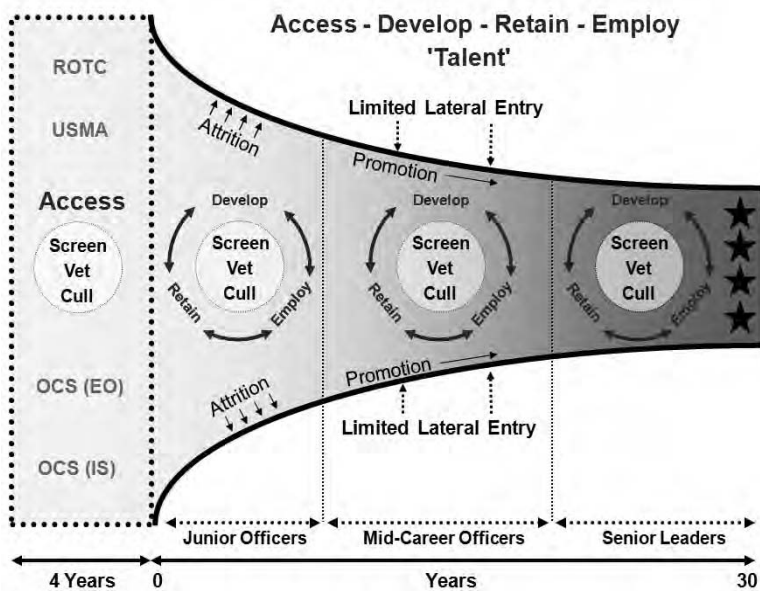


Figure 6. Proposed Army Officer Human Capital Model.

Our proposed human capital model focuses upon officer talent for an army that must be adaptable to changing internal and external labor markets, and in

the context of an all volunteer force. Before considering each of the model's components in greater detail, however, we first provide a theoretical framework for leavening officer talent through the process of "screening," "vetting," and "culling."

Screening, Vetting, and Culling for Talent.

Screening takes place at the start of the officer accessions process and entails the evaluation of officer candidates against accepted measures of aptitude. The Army must put significant energy into screening since it must later devote resources to developing, employing, and retaining all those who gain entry to the Officer Corps. Screening is perhaps the highest value activity of the accessions process as it determines both the level at which officer development can begin and the pace at which it can proceed. Effective screening requires a suitable (in both quantity *and* quality) pool of applicants from which to draw talent, as well as appropriate screening standards. Without standards, screening has little meaning. Similarly, without a suitable applicant supply, screening becomes a rubber stamp. By way of example in Figure 7A, a notional organization employs screening to draw a relatively more talented pool of applicants into its ranks, shifting organizational talent from an average μ_1 (without screening) to an average μ_2 (with screening). Note that even the upper tail of the distribution may shift to the right because as the reputation of the organization improves, it can attract increasing levels of talent.

Selection of Officer Candidates Via Selective Undergraduate Programs Provides Substantial Opportunities to Screen for Talent

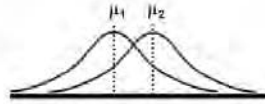


Figure 7A: Screening for Talent

Commissioning Officer Candidates from Selective Undergraduate Programs Provides Substantial Opportunities for Vetting Talent



Figure 7B: Vetting to Evaluate Talent

Moderate Post Commissioning Promotion Rates Increase Expected Levels of Officer Performance Due to Culling and Expanded Opportunities for Developmental Assignments

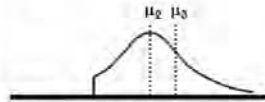


Figure 7C: Culling to Eliminate Low Talent

Figure 7. Screening, Vetting, and Culling for Talent.

Vetting is the means by which the Army's precommissioning organizations validate the fidelity of talent assessments made during the initial screening process. Once enrolled in ROTC, West Point, or OCS, these organizations can evaluate candidate performance and potential under circumstances more closely approximating those in which candidates will serve as officers. Vetting also provides the first real insight into each employee's potential for retention, development, and advancement. As shown in Figure 7B, this allows organizations to reorder their appraisal of employee talent. In the context of precommissioning sources, vetting allows the Army to establish an accurate order of merit listing for its potential officers.

Culling draws upon the reordering accomplished by vetting. Through culling, organizations can reward and advance high-performing, high-talent candidates and officers and retrain or release those with lower-performance or potential. Early culling of low-potential candidates and officers can reduce retraining costs,

focus talent development efforts, and raise the average level of talent within an organization. However, extensive culling can indicate inadequate screening, raise accession requirements, and increase costs. As illustrated in Figure 7C, culling seeks to shorten the lower tail of an organization's talent distribution and thereby raise average talent levels above those achieved with screening at μ_2 to some higher average, μ_3 .

From the board room to the gridiron, screening, vetting and culling are fundamental to the development of high-performance teams. For example, in the case of professional American football, bench building begins with a draft. Teams seek to acquire those players who have distinguished themselves in performance dimensions associated with success in the "pros." To account for the variance in player talent across colleges of different size, within different conferences, and with schedules of varying difficulty, professional recruiters focus upon drafting players with superior standing in national rankings. In this way, teams begin the work of bench building with exceptional feedstock. Those that fail to draft exceptional talent face an uphill battle to create a competitive bench.

During pre-season, coaches reassess the talent of the players who made it into their programs. They also hone player talents, array them from first string to bench warmers, and meld them into a high-performing cohesive unit. Development and vetting occur continuously and in parallel so that teams can cut their weak players and focus upon the development and employment of their strongest players. By the time regular season play begins, the process of screening, vetting, and culling yields a team with a much higher talent average than its initial pre-season bench.

Just as changing requirements force professional football teams to constantly reevaluate a player's talent throughout his career, so too must the U.S. Army continually vet and cull talent throughout an officer's career to ensure that the Army keeps pace with evolving talent requirements. In fact, the Army's officer human capital model, which necessarily precludes significant lateral entry, makes proper screening, vetting, and culling imperative. While a football team can sign a free agent or trade with another team for talent, the Army can only employ the talent that it has accessed, developed, and retained. Consequently, it must seek ways to screen, vet, and cull talent throughout its officer human capital model.

Accessing Talent.

Although bringing in high quality accessions is important to any organization, the limited lateral entry in the U.S. Army's officer labor model makes accessions particularly important. To provide the United States with an officer corps of high-performing, adaptive leaders who possess deep competencies in leadership, decisionmaking, risk management, foreign cultures, engineering, and the like, the Army must screen, vet, and cull for talent as part of its officer accessions process. It can draw talent from its enlisted ranks, from the nonmilitary pool of young Americans who are college bound, or from those who recently graduated from college.

As discussed earlier, while commissioning soldiers from the ranks provides a path for drawing high-potential talent into the Officer Corps, it also depletes the pool of talent from which the Army builds its bench of NCOs and Warrant Officers. To put this in

perspective, the Officer Corps is 20 percent the size of the enlisted force, and yet significantly larger than the existing pool of college-educated enlistees.¹⁶ However, the population of college bound or college graduate civilians from which the Army can compete for officer candidates is far larger. In fact, the entire active component Officer Corps currently represents less than 5 percent of the stock of recent male graduates from college. Additionally, this pool best embodies the rapid learning, development, and adaptive skills the Army seeks in its officers. Lastly, the tiered ranking of America's universities provides a valuable screening, vetting, and culling function.

Maximizing the acquisition of these desired skills and aptitudes, however, requires that the Army deliberately establish and closely monitor appropriate screening, vetting and culling mechanisms. It can thereby narrow the range of officer candidate talent around a higher average and avoid the developmental costs associated with unsuitable candidates *prior* to commissioning.

Unfortunately, the Army's current approach to accessing officers, which was arrived at by inches rather than through the development of an overarching strategy, does not screen, vet, and cull in ways that systematically leaven the quality of the Officer Corps. For example, across and within commissioning sources, screening, vetting, and culling occurs against widely disparate standards, with the primary objective of achieving quantitative accession goals. This approach engenders substantial variation in terms of the quality of officer talent entering the Army. In turn, this quality variation places a burden on both the "Generating" and "Operating Forces" in terms of compensatory developmental costs and retraining.¹⁷ To the extent

that an army tolerates such variance in officer candidate talent, it must incur either high levels of attrition in training among lower performing candidates (the “tail” of the talent distribution) or reduce leader development goals and retard the development of its higher potential candidates.

The relatively recent reduction of active component OCS from 14 weeks in 2006 to 12 weeks in 2007 may be an example of such a reduction in leader development goals. While it is too early to draw any final conclusions, the near-term cost savings provided by OCS course compression may eventually be eclipsed by much higher post-commissioning developmental and employment costs. In other words, this example shows how strain in the Operating Force to meet the demands of the GWOT can quickly transfer to the Generating Force. As the Generating Force modifies standards, the Operating Force is apt to experience further stress from lower-talent officers.

However, an accessions program executed within the framework of our officer human capital model should present the U.S. Army with a positive sum game in terms of talent acquisition. For leaders accustomed to allocating talent within and across units under their control, this can be a foreign concept.¹⁸ A senior Army leader recently recounted his experience with creating test units using a disproportionate mix of high-performance soldiers. He supervised a particularly confident battalion commander who asserted he could dominate every engagement during a National Training Center (NTC) rotation if permitted to create an “ideal” unit of hand-picked soldiers and officers.¹⁹ The battalion commander was correct—his “ideal” unit dominated the NTC’s resident Opposing Force (“OPFOR”) in every engagement. Notwithstanding

such impressive results, the senior leader deemed the test a failure because the fixed level of talent that he could allocate among his units made the redistribution of talent a zero sum game. By creating the “ideal battalion,” the command had depleted talent levels within other units, making them significantly less effective. However, unlike talent distribution within Operating Force units, the accessions process presents a unique opportunity to increase average talent levels in *all* units. The increased acquisition of talented officers now can directly translate into higher levels of talent distribution later, particularly if officer retention, employment and development are pursued with equal diligence.

Developing Talent.

As illustrated in Figure 6, development of officer talent occurs throughout our entire officer human capital model. Institutions of higher learning provide the foundation, as all officers must possess an undergraduate degree or must obtain one within 3 years of commissioning. Officer talent development continues primarily via additional civil schooling, training with industry, the U.S. Army’s Officer Education System, mentorship and peer relationships, and operational assignments. Thus, when senior Army leaders call for adaptable and competent officers, they are referring as much to the talent that the Army develops as they are referring to the talent it accesses.

As we defined talent earlier, it spans multiple dimensions such as intellect, attitude, motivation, discipline, and several others. Therefore, screening criteria at the point of accessions must account for the “whole” candidate. If the Army does this well and

brings in new officers with the requisite dimensions of talent, it can then focus its developmental efforts upon continuing education, training, experience, and tenure.

Differentiating between education and training is critical. While both are important for officers, adaptability is more closely linked with education. Education teaches officers *how* to think. Well-educated officers do not need a play book when introduced to unfamiliar situations. They can quickly assess the environment and make decisions that lead to desired outcomes. By comparison, competence is more closely linked with training. Training teaches officers *what* to think—how to respond to familiar or anticipated situations. Training can take place in either specific or general skill areas. Specific training is unique to the profession of arms, such as throwing a grenade. This type of training is not readily transferrable to the civilian sector. In contrast, general training such as language training has direct application outside of the Army. In short, the development of officers must entail a combination of continuing education, specific, and general training to maintain and increase requisite talent levels.

While education and training provide development in a theoretical construct, experience and tenure provide development through direct application. The U.S. Army is well-regarded for its ability to impart leadership, management, and administrative skills. Most of these are acquired through hands-on experience in day-to-day assignments. For example, a platoon leader assignment provides experiences in multiple dimensions of leadership. In addition, compared to peacetime platoon leadership, wartime leadership accelerates a lieutenant's opportunities to

directly apply his or her education and training.

Tenure has important implications for the depth of experiential development and suitability for future assignments. The Army's current assignments model envisions officers with many talents rooted in varied experiences from platoon leader to battalion adjutant (S1) to battalion logistician (S4). Given relatively rigid time constraints at each rank, this model prioritizes breadth over depth in skills. At the other extreme, lieutenants with lengthy-tenured platoon leader time will not have had as many experiences in staff positions. Those with greater tenure as platoon leaders are likely to have finely-honed direct leadership skills that will serve them well in company command. They will not, however, have had as much experience in the supply and personnel aspects of company command.

Clearly, there is a trade-off between breadth and depth of experience, but the Army must avoid running to a "corner solution" by declaring that everyone should be either a generalist or a specialist. Rather, it should seek a distribution of talent, with some of the generalist variety, some of the specialist variety, and some falling between the two. This should not be confused with the Army's current officer "career field" model, which focuses almost exclusively upon expertise gained in graduate programs and organized for relative ease of management. We argue that the Army should seek a distribution of talent between *and* within career fields.

Unfortunately, a great deal of officer development unfolds without regard for its need or application because the U.S. Army has not clearly articulated its enduring or emerging requirements in engineering, marketing, cultural geography, enterprise management, decision sciences, social sciences, behavioral sciences, business transformation, environmental science, and a host of other fields in which officers continue to

build deep competencies. As a result, the Army exerts little direct or indirect influence upon the development of noncombat-related officer competencies. A case in point is the growing number of mid-career officers who will soon undertake graduate degree study under the auspices of the precommissioning “graduate school for service” incentive program. In so doing, they will develop deep competencies with little consideration or awareness of which ones the Army may actually require.

Retaining Talent.

While continuing developmental opportunities ensure that U.S. Army officers possess the requisite talent for success at all levels, this can only take place if these officers remain in service. As discussed earlier and illustrated by Figure 2, the Army’s most difficult retention challenge appears among high-potential, seasoned junior officers. Having completed their initial service obligation, these officers serve at will. Those not drawn from the enlisted ranks are typically young, and many have yet to marry and form a household. Consequently, they draw relatively little benefit from the Army’s generous family health and quality of life programs. Similarly, they lack longevity, which removes the loss of potential retirement benefits as a barrier to exit. Instead, most talented young officers are confronted by rising opportunity costs, disincentives to continued service.

In part, this is due to significant changes in the labor market over the past few decades. When today’s senior Army officers were completing their undergraduate educations, manufacturing workers earned relatively high wages in relatively low-skill occupations. More-

over, these workers aspired to jobs characterized by employment stability over an entire career. Today, the situation is much different. Low-skill workers confront low wages and reduced job security. In contrast, high-skill, information workers seek lifetime employability rather than lifetime employment. They secure this employability by applying their talents to projects that develop their skills. Using social networking websites, online discussion groups, and their mastery of information search strategies, information workers identify new employment opportunities and gain unprecedented job mobility. Given their comparably high productivity, these workers garner relatively high wages in fields characterized by continuous learning. They then leverage this learning to enhance their employability and avoid skill obsolescence.

Another contributing factor to an officer's rising opportunity costs is the increasing degree to which knowledge creation and technological-change drive commerce and accelerate skill depreciation. Following commissioning, most officers serve 7 years or longer before reaching positions in the U.S. Army where they can put their undergraduate degrees into practice. By the time officers with competencies in fields such as information technology reach their 7th year of service, many of their specialized competencies will have atrophied through disuse or depreciation due to the creation of new specialized knowledge. By contrast, junior officers' civilian peers immediately put their expertise to use in industry, and progress in building their networks and marketable competencies. Thus, at the completion of their service obligations, junior officers face a decision to continue in the military and risk the further deterioration of their outside option, or to transfer to the civilian sector while they still have a chance to keep pace with their peers.

The allure of the civilian sector is even further enhanced by market forces, which place a premium on high-potential junior officers who have leadership experience. Firms seek talented workers with leadership experience and exceptional potential for rapid learning and innovation. Of course, junior officers are a readily identified source of such talent by virtue of their developmental experiences. Moreover, within this group, young officers who complete a ROTC or West Point scholarship program are attractive to industry by virtue of their selection for these merit-based programs. Their completion of these challenging programs marks them as among the very highest-potential employees, a low-to-no risk hiring proposition. Because the labor market values them so highly, these officers respond to competitive outside offers in significant numbers when their expectations of military service go unfulfilled.

In view of these labor market conditions, the U.S. Army faces a significant junior officer retention challenge as seen in Figures 1 and 2. Absent purposeful action, low active duty continuation rates for its highest potential junior officers can unhinge its efforts to build a high-performing Officer Corps. As described above, excessive loss of junior officers has reduced the Army's discretion over the timing and rate at which it promotes the junior officers it retains (recall Figure 3). This loss of promotion discretion is all the more problematic given that the remaining population increasingly embodies those officers for which there was little screening. Excessive loss of junior officer talent also reduces the Army's scope to distribute high-potential junior officers across the force. Confronted with a shrinking pool of seasoned junior leaders, the Army must triage requirements by first filling positions that present an immediate operational

requirement. Of course, this approach places current requirements ahead of future interests, as Operating Force billets are filled at the expense of the Generating Force. Degrading the Generating Force's ability to bring new talent into the Army creates a downward spiral that further reduces its capacity to weather the strain of current and future demands. Moreover, excessive loss of talent has caused the Army to increasingly rely upon accessions sources such as OCS-EO. As discussed earlier, shorter duration accessions programs entail very little development, vetting, or screening, and in the case of OCS-EO, produce officers with the shortest continuation rates. This too works against efforts to slow losses of high potential leaders; in the fullness of time, new cohorts of high-potential leaders will face outsized demands upon their skills as a growing number of their peers and leaders are unable to perform at required competency levels. This prospect, as well as the stresses of a long war, may push the Officer Corps to its leadership tipping point. Beyond the tipping point, retention of talented officers will collapse, robbing the Army of the leadership required to maintain full-spectrum dominance against its adversaries, completely depleting its bench of talent for the future, and requiring perhaps a generation to restore.

At least in the area of junior officer retention, the U.S. Army seems to have developed a positive sum entrepreneurial solution. Beginning in 2006, it began offering continuation incentives to its high-potential officers prior to commissioning. Specifically, ROTC and West Point cadets can agree to incur 3 additional years of obligated active duty service in return for their career branch of choice (infantry, armor, intelligence, etc.), their station of choice, or a guaranteed option to obtain a fully-funded graduate degree at a school and

in the discipline of their choosing. The intent of these *precommissioning* incentives is to increase retention of those high potential officers that confront the highest opportunity cost and who have exhibited the lowest continuation rates. In this way, the Army avoids the unnecessary expense of offering *post-commissioning* retention incentives to officers who are most likely to continue on active duty without an incentive.

To date, precommissioning retention incentives have garnered much higher returns on investment than the broad-based incentives typically offered to junior officers nearing the completion of their active duty service obligations. In fact, high participation in the first 3 years of this program has provided the Army with approximately 15,000 additional man-years of obligated service and is projected to raise Army-wide 8-year continuation rates from the historical level of 41 percent to 65 percent.²⁰ By offering incentives that align occupation, assignment, and advanced educational opportunities with the desires of individual officers, the Army has taken a critical first step toward linking officer accessions, development, employment, and retention.

Employing Talent.

Although accessions are a pivotal component, employment of officer talent against competency requirements must be the objective of an integrated Officer Corps Strategy. Even if an army could access, retain, and develop the best talent in the world, without efficient employment practices, many of the talent gains would be lost. Furthermore, by employing talent appropriately, accessing, developing, and retaining talent becomes easier—it becomes a virtuous cycle. To achieve effective and efficient employment,

the U.S. Army requires the capability to track relevant information on talent competencies and a management system that matches talent to requirements. As is the challenge for many large employers, the Army often accesses, retains, and develops officers with specialized competencies that are largely invisible to the enterprise. This talent is neither well-documented in personnel databases nor organized within any sort of talent management system.

Legacy officer management systems reflect practices inherited from the draft and industrial eras. They are largely designed to facilitate personnel accounting concerned with balancing personnel assets against unit requirements as one would balance assets and liabilities in an accounting ledger. These practices implicitly value individual officers as interchangeable parts within their branch and rank strata. As such, they accommodated the needs of industrial and draft era personnel managers. However, these systems do not collect, organize or present the types of information necessary to manage talent. The Army must seek ways to move beyond personnel accounting and into talent management.

As opposed to accounting, talent management focuses on officer development and employment. It requires new capacities that can identify officer talent and match it with competency requirements. A first step towards talent management is to develop a platform where officers can communicate their talents. This platform should capture and document officer competencies such as professional certifications, membership in social, educational, professional or international networks, publications, specialized knowledge of an operating area or community of interest, project experience, and language skills, as

well as interests and aptitudes for collaboration as a member of an ad hoc or virtual team. The platform must have a searchable talent management system within which organizations can readily locate officers with competencies matched to their requirements.

Job matching entails both a mechanism for officers to communicate their unique skills, experiences, and attributes, and a way for senior leaders to identify them. To achieve efficient job matching, the Army must create an internal market in which consumers can demand and suppliers can provide talent. This market would inform subordinate officers of the skill sets that senior leaders demand, while senior leaders would gain increased visibility over the skill sets that junior officers possess. In keeping with the role markets play in guiding resources to their most effective use, this talent management system would increase the Army's capacity to dominate current challenges and adapt to future requirements. It would provide the enterprise and its subordinate units with greater scope to locate and employ the increasingly diverse and specialized officer talents the Army accesses and develops. By creating such an employment model, the Army would shift its practice from *adapting* individuals for assignments to *matching* individuals against assignments. Accordingly, it can achieve greater depth in individual competencies while still achieving a multi-skilled capability.

The information-enabled job matching described above can be achieved by the U.S. Army with relatively little effort or expense and with a tremendous return on investment. Such an effort should be undertaken quickly, as the existing industrial era assignment system is increasingly unequal to current or future requirements. Today, assignment managers can access little to no information related to competency or talent management. Their personnel ledgers include

personal identifiers, dependency data, and promotion and military qualification data, as well as assignment data by unit, location, position, and duration. The ledgers also include source of commission data and education data, such as degrees earned and the degree granting institutions. This is largely the limit of their information.

As a result, organizational capacities to adapt are impaired. For example, the U.S. Army has been called upon to assume broad responsibility for reconstruction operations in Iraq, Afghanistan, and New Orleans. Efforts to adapt to these new missions have generated considerable demand for officers who are professionally certified to guide structural, hydraulic, geological, transportation, power distribution, and other engineering projects. While the Army carries hundreds of engineer officers on its ledgers, many of them lack the specific competencies required to conceive, plan, or execute reconstruction projects. Conversely, many engineer officers *do* possess these competencies, but as they stem from developmental experiences outside of those recorded within the current personnel information set, the Army does not “know” who or where they are in time of need. As a result, the Army Chief of Engineers is now seeking to identify engineer officers who have competencies beyond those normally expected of combat engineers in operational units. Absent a competency or talent management system, the Army’s Corps of Engineers cannot effectively identify or employ officer talent in a timely manner to speed Army adaptation to reconstruction missions. While considerable engineering talent resides with the Army’s inventory of engineer officers, this talent is hidden from view by legacy assignment management systems.

The situation confronting the Corps of Engineers is not unique within the Army. It is repeated every day, across interagency working groups, major staffs, within Army agencies, and throughout deployed commands. Moreover, this situation is not specific to the Army. Rather, as market trends have shifted labor from industrial to service sector applications, industry has found increasing need for systems to manage talent. Today, global firms such as IBM are less concerned with producing tangible products and more concerned with producing knowledge-based solutions aligned with customer requirements. To produce these solutions, firms must be able to mobilize appropriate employee talents around requirements that can arise at any place and time. These requirements can surface quickly and can embody challenges that demand new approaches, access to extensive social networks, or cultural dexterity.

By comparison, the U.S. Army's capacity to match officer talents to emerging challenges is antiquated. Its legacy personnel management tools were designed to align faces and spaces rather than talents and competency requirements. Today, the Army cannot fully employ talent it expends great resources to access, retain, and develop, nor does it articulate its talent requirements to officers so that they can structure their development in consonance with Army needs. Consequently, in addition to expanding its capacity to access, retain, and develop talent, the Army must greatly expand its capacity to employ the talent embodied by its Officer Corps. Absent this capacity, the Officer Corps' adaptability and effectiveness will be far less than the sum of its parts.

Summary.

More than ever before, the U.S. Army requires an Officer Corps strategy that recognizes and leverages the interdependence between accessing, developing, retaining, and employing talent. Beyond attainment of the right number of officers at each career level, the Army increasingly needs talented officers, those with pronounced aptitudes for learning and problem solving, and whose mental acuity and intellectual agility allows them to master the diverse competencies demanded by the times. The Army's officer human capital model, which necessarily limits lateral entry at middle and senior levels, makes screening, vetting, and culling for such talent critical.

So, too, the U.S. Army must develop the *institutional* adaptability to employ the right talent in the right job at the right time. In so doing, it will finally move beyond assignment management to a genuine talent management system. We believe that such a system, based upon the principles articulated in this monograph, must be the centerpiece of an Officer Strategy—it is the single best way to eliminate the problems which have challenged the Army's Officer Corps for the last decade, while simultaneously posturing it for future success. A talent management system will position the Army to compete with the civilian market for officer talent. It will translate directly into better officer development and retention through increased job satisfaction. Talent management will also facilitate job matching, which will allow the Army to achieve the right breadth and depth of officer competencies to meet evolving requirements. The Army must commit ample resources, develop appropriate policy, and reevaluate existing organizational designs to this end.

Failure to do so may lead to a future in which the U.S. Army is unequal to its share of the security challenges confronting both the United States and its allies.

ENDNOTES

1. *The 2008 U.S. Army Posture Statement*, Washington, DC: Department of the Army, p. 2.

2. Requirements and inventory estimates take into account what the Army calls TTHS (trainees, transients, holdees, and separates). This is necessary to account for actual end-strength requirements. In other words, the Army requires additional billets beyond the operational force to account for officers who are in training, changing station, or separating from the Army.

3. ROTC is a U.S. Army precommissioning program run in collaboration with over 270 American civil institutions of higher learning. These colleges and universities “host” officer training detachments on their campuses and provide undergraduate degrees to those enrolled, many of whom receive full academic scholarships. The United States Military Academy at West Point, NY, is a U.S. federal undergraduate institution devoted exclusively to the preparation of its students for careers as officers in the U.S. Army. All of its students earn an undergraduate degree at government expense. Both ROTC and West Point produce active component U.S. Army officers.

4. Other than directly commissioning civilians, Officer Candidate School (OCS) is the Army’s quickest junior officer production mechanism, a rigorous 12-week course devoted exclusively to military, physical, and leadership training. Unlike ROTC and West Point, OCS has no academic component—its candidates receive their required undergraduate degrees outside the scope of the course.

5. Previously, “Regular Army” (RA) was a term used by the U.S. Army to differentiate officers by both commissioning source and suitability for continued advancement, with all West Point graduates and ROTC’s highest performing cadets designated as “RA” officers. It also served to differentiate between officers who

would form the nucleus of a peacetime professional Army and those (such as some ROTC and all OCS graduates) brought in during rapid wartime expansion of the Army via a military draft. In previous post-conflict force reductions, Regular Army officers were retained on active duty while non-RA officers were subject to involuntary force reductions. The Army gradually abandoned this practice after the Vietnam War in favor of retaining officers based solely upon performance and potential rather than upon source or circumstances of commission. Accordingly, today the "RA" designation applies to all active component officers, regardless of commissioning source.

6. NCOs are sergeants. Similar to those found increasingly in professional armies, the U.S. Army's NCO Corps consists of seasoned enlisted soldiers with increasing levels of rank, responsibility and authority. While subordinate to commissioned officers and not commissioned themselves, they are invaluable to the leadership of troop formations. Their direct leadership of soldiers and their focus upon building and sustaining individual proficiencies allows commissioned officers to focus upon collective training, as well as the organizational and strategic levels of leadership. Importantly, NCOs are critical not just to the development of soldiers but to the development of junior officers as well, with whom they team in the effective leadership of formations. Any improvements to an army's officer corps gained at the expense of its NCO corps will likely have a deleterious effect upon that army.

7. In the U.S. Army, Warrant Officer (WO) is a 5-grade grouping falling between enlisted soldiers and commissioned officers. In some professional armies, warrant officers are effectively senior NCOs with long military experience. In the U.S. Army, however, they are essentially officers with technical expertise in highly specialized disciplines. Increasingly, they are expected to possess the same intellectual and leadership potential as commissioned officers, but in specialties not requiring the academic background for a commission.

8. College Board, *Trends in College Pricing*, Washington, DC: 2007.

9. Congressional Research Service, *Army Officer Shortages: Background and Issues for Congress*, July 5, 2006, p. 7.

10. Tier 1 or 2 institutions are those ranked by external reports (such as Princeton's, *U.S. News's*, or Peterson's) as among the very best undergraduate programs available. High selectivity schools are those which have extremely stringent entrance standards because they are empowered to do so via a small freshman enrollment relative to their total number of new applicants. For example, for the Amherst College Class of 2012: of 7,745 applicants, admission was offered to 1,144 (15 percent) and 438 (6 percent) were admitted. Of those admitted, 79 percent finished in the top 10 percent of their high school class, 16 percent were valedictorians, and mean SAT scores were: critical reading, 708; math, 707; writing, 706. *Sixty Second Annual Report to Secondary Schools*, Amherst, MA: Amherst College, 2008, p. 3.

11. Dr. Arthur Coumbe, U.S. Army Cadet Command Historian, telephonic interview by authors, December 5, 2008.

12. Congressional Research Service, pp. 7-8.

13. *Military Personnel, Strategic Plan Needed to Address Army's Emerging Officer Accession and Retention Challenges*, GAO-07-224, Washington, DC: Government Accounting Office, January 2007, p. 1.

14. Lionel Urwick, "The Span of Control," *Harvard Business Review*, May-June 1956.

15. Remarks by General George Casey, April 19, 2007, to the senior staff and faculty of USMA.

16. Statistics on the population of college graduates come from "Integrated Public Use Samples," 2006, available from www.ipums.umn.edu. Statistics on the share of Army personnel come from the "Total Army Personnel Data Base" (TAPDB) for data as of September 30, 2006, available from the U.S. Army Resources Command, Alexandria, VA.

17. The Army defines the "Operating Force" as "forces that the Army maintains for combatant commanders to use in contingencies," whereas the "Generating Force" consists of all institutional or support elements that "organize, train, and equip forces maintained for combatant commanders to use in contingencies." Frank Camm *et al.*, *What the Army Needs to Know to Align its Operational and Institutional Activities*, Santa Monica, CA: Rand Arroyo Center, 2007, pp. 11-16.

18. Zero sum games are where payoffs to all players equal zero for every configuration of their strategies. A positive sum game in this regard is where all players benefit, the sum of which is greater than zero.

19. The National Training Center (NTC), located at Fort Irwin, CA, is one of the U.S. Army's premier force-on-force training areas, referred to as "Combat Training Centers."

20. Statistics on the precommissioning incentive programs are from the Office of Economic and Manpower Analysis, West Point, NY.